#### ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

In the Matter of the Removal and Prohibition of:

No. 07F-BD057-BNK

SANDRA J. FLORES AKA SANDI FLORES

1620 N. Center St. Flagstaff, Arizona 86004 CONSENT ORDER

Respondent.

On February 27, 2007, the Arizona Department of Financial Institutions ("Department") issued a Notice of Hearing alleging that Respondent had violated Arizona law. Wishing to resolve this matter in lieu of an administrative hearing, Respondent does not contest the following Findings of Fact and Conclusions of Law, and consents to entry of the following Order.

## FINDINGS OF FACT

- 1. Respondent Sandra J. Flores aka Sandi Flores ("Ms. Flores") was employed by LandAmerica Financial Group, Inc.'s ("LAFG") operating subsidiary Transnation Title Insurance Company ("Transnation") as an escrow officer from December 16, 2002 to October 14, 2005 at the Coconino County branch. Ms. Flores was terminated from Transnation on October 14, 2005.
- 2. Ms. Flores was employed by Pioneer Title Agency, Inc. ("Pioneer") as an escrow officer from October 17, 2005 to May 12, 2006. Ms. Flores was terminated from Pioneer on May 12, 2006.
- 3. LAFG's applicable operating subsidiary, Transnation, is licensed by the Department as escrow agent, license number EA-0000106.
- 4. Pioneer is licensed by the Department as an escrow agent, license number EA-0005964.

- 5. On May 12, 2006 Pioneer initiated an internal audit and discovered that Ms. Flores cut five (5) checks from one account and made the checks out to National Bank of Arizona. Ms. Flores then took the five (5) checks made to National Bank of Arizona totaling \$18,800.00 and deposited them into her own account. The \$18,800.00 defalcation was discovered as a result of Ms. Flores endorsing the checks. Full restitution was provided to Pioneer in the amount of \$18,800.00.
- 6. On or around May 15, 2006 through July of 2006, Transnation conducted an audit of Ms. Flores' escrow files and discovered that Ms. Flores misappropriated twenty (20) checks totaling \$32,934.18. Ms. Flores obtained and deposited: sixteen (16) checks totaling \$23,904.18 into her payroll account and deposited four (4) checks totaling \$9,030.00 into two additional accounts. Restitution in the amount of \$16,500.00 was provided to #18,250 8F

#### LAW

- 1. Pursuant to Title 6, Chapter 7, of the Arizona Revised Statutes, the Superintendent has the authority and duty to regulate all persons engaged in the escrow agent business and with the enforcement of statutes, rules, and regulations relating to escrow agents.
- 2. By the conduct set forth above in the Complaint, Ms. Flores has violated statutes governing escrow agents as follows:
  - a. A.R.S. § 6-834(A) by failing to deposit and maintain all monies deposited in escrow to be delivered on the close of the escrow or on any other contingency in a bank, savings bank or savings and loan association doing business in this state and by failing to keep all escrow monies separate, distinct and apart from monies belonging to the escrow agent; and
  - b. A.R.S. § 6-841.01(A) by breaching, as an employee of an escrow agent, a fiduciary duty as a trustee to the owner of all monies received or collected

and held in escrow and by knowingly and negligently commingling trust monies with the escrow agent's own monies or with monies held in any other capacity.

- 3. The conduct of Ms. Flores, as set forth above, constitutes acts, omissions, and practices which demonstrate personal dishonesty and unfitness to continue in office or to participate in the conduct of the affairs of any financial institution or enterprise and is grounds for removal and the prohibition of Ms. Flores from participating in any manner in the conduct of the affairs of any financial institution or enterprise within the meaning of A.R.S. § 6-161(A)(1).
- 4. Ms. Flores' violation of A.R.S. § 6-834(A) constitutes grounds for the removal and the prohibition of Ms. Flores from participating in any manner in the conduct of the affairs of any financial institution or enterprise, pursuant to A.R.S. § 6-161(A)(6).
- 5. Ms. Flores' violation of A.R.S. § 6-841.01(A) constitutes grounds for the removal and the prohibition of Ms. Flores from participating in any manner in the conduct of the affairs of any financial institution or enterprise, pursuant to A.R.S. § 6-161(A)(6).
- 6. The violations, set forth above, constitute grounds for the Superintendent to order the removal and the prohibition of Ms. Flores from further participation in any manner as a director, officer, employee, agent, or other person in the conduct of the affair of any financial institution or enterprise pursuant to A.R.S. § 6-161.

## **ORDER**

- 1. Ms. Flores shall be prohibited from further participation in any manner in the conduct of the affairs of any financial institution or enterprise, pursuant to A.R.S. § 6-161.
- 2. This Order shall become effective upon execution, and shall remain effective and enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated, or set aside.

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SO ORDERED this 18 day of April, 2007.

Felecia A. Rotellini

Superintendent of Financial Institutions

#### **CONSENT TO ENTRY OF ORDER**

- 1. Respondent acknowledges that she has been served with a copy of the foregoing Findings of Fact, Conclusions of Law and Order in the above-referenced matter, has read the same, is aware of her right to an administrative hearing in this matter, and has waived the same.
- 2. Respondent admits the jurisdiction of the Superintendent and consents to the entry of the Foregoing Findings of Fact, Conclusions of Law and Order.
- 3. Respondent states that no promise of any kind or nature has been made to induce her to consent to the entry of this Order, and that she has done so voluntarily.
- 4. Respondent agrees to refrain from seeking any future employment with any financial institution or enterprise.
- 5. Respondent acknowledges that the acceptance of this Agreement by the Superintendent is solely to settle this matter and does not preclude the Department, any other agency or officer of this state or subdivision thereof from instituting other proceedings as may be appropriate now or in the future.
- 6. Respondent waives all rights to seek judicial review or otherwise to challenge or contest the validity of this Consent Order.

DATED this \_\_\_\_\_ day of April, 2007.

Sandra J. Flores

Respondent

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1	ORIGINAL of the foregoing filed this day of 2007, in the office of:
2	Felecia A. Rotellini
3	Superintendent of Financial Institutions Arizona Department of Financial Institutions ATTN: June Beckwith
4	2910 N. 44th Street, Suite 310
5	Phoenix, AZ 85018
6	COPY mailed/delivered same date to:
7	Allen Reed, Administrative Law Judge Office of the Administrative Hearings
8	1400 West Washington, Suite 101 Phoenix, AZ 85007
9	,
10	Craig Raby, Assistant Attorney General Office of the Attorney General
11	1275 West Washington Phoenix, AZ 85007
12	
13	Robert D. Charlton, Assistant Superintendent Arizona Department of Financial Institutions 2910 N. 44th Street, Suite 310
14	Phoenix, AZ 85018
15	AND COPY MAILED SAME DATE by Certified Mail, Return Receipt Requested, to:
16	Respondent
17	Sandra J. Flores 1620 N. Center St.
18	Flagstaff, Arizona 86004
19	Attorney for Respondent John Trebon, Esq.
20	John Trebon, P.C. 308 N. Agassiz
21	Flagstaff, AZ 86001
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23	1005812; CPA07-086
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# ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

Felecia A. Rotellini Superintendent of Financial Institutions Janet Napolitano Governor

April 19, 2007

John Trebon, Esq. John Trebon, P.C. Attorney at Law 308 N. Agassiz Flagstaff, Arizona 86001

Reference: Docket # 07F-BD057-BNK/Sandra J. Flores AKA Sandi Flores

Dear Mr. Trebon:

Enclosed is the executed Consent Order for the above referenced case.

Please contact Robert D. Charlton at (602) 255-4421 extension 129, with any questions.

Sincerely,

Felecia Rotellini Superintendent

FAR:jb

Enclosure